

Awareness about *Waqf* among Algerian Students: An Exploratory Study

Abdelghani Echchabi

Chaabane Oussama Houssem Eddine

Abdullah Mohamed Ayedh *

Abstract

The main purpose of the study is testing the level of *waqf* awareness among students in Algeria, as well as the factors that affect it. Additionally, the study attempts to examine whether there is any significant difference between the various groups of respondents based on gender, age and education level. The study uses four main statistical techniques to analyse the data including one sample *t*-test, MANOVA, factor analysis and linear regression. The data was gathered by distributing the questionnaire to 200 students in Algeria. The findings indicate that the latter have good knowledge about *waqf*. In addition, the findings show that overall, there is significant impact of age difference with regard to *waqf* awareness; however, there is no significant difference between various gender as well as education levels groups. Finally, the findings conclude that among the factors initially included in the study, only the explicit sources of information affect the level of awareness of the students in Algeria. The originality of the study emanates from the fact that it is one of the early empirical studies on *waqf* awareness, and the first to be conducted in the context of Algeria. Thus, it has a significant contribution to the body of knowledge as well as to the practitioners, researchers and decision makers.

Keywords: Algeria, *Waqf*, Awareness, Students.

KAUJIE Classification: E2

JEL Classification: I2, Z1

* **Dr. Abdelghani Echchabi**, the corresponding author, is Assistant Professor of Finance/Islamic Finance at the College of Business, Effat University, Jeddah, Saudi Arabia; Email: abdelghani.mo@gmail.com; **Dr. Chaabane Oussama Houssem Eddine** is affiliated with Department of Accounting, International Islamic university Malaysia; Email: oussama.ch33@yahoo.fr; **Dr. Abdullah Mohamed Ayedh** is affiliated with Islamic Science University of Malaysia; Email: ataf2001@gmail.com

1. Introduction

Among the world's population, majority has apparently been suffering from poverty for centuries. The Muslim population has not been an exception to this phenomenon, despite the richness of resources in many Muslim countries. It is poignant that Muslim countries have been remaining subject to such conditions, while the Islāmic religion provides a complete set of measures to promote human development and social wellbeing. This includes *zakāh*, *waqf*, *sadaqah*, etc. These gratuitous acts proved themselves to be efficient measures in the past. Nevertheless, it is *waqf* that has been mostly and efficiently used by the Muslims in different eras. It has been used for socio-economic and welfare activities like community health, water supply, building of mosques, establishment of schools and libraries, etc.

Having said that, the optimal use of *waqf*, as a tool to alleviate poverty and enhance the living standard of the Muslim communities, is dependent on the Muslims' awareness about *waqf* and its potential in solving the most of the economic and social problems. According to Muhammad (2010), the lack of awareness about *waqf* is a barrier to harnessing its potential in redressing *socio-economic* inequities and enhancing the quality of life of the poor. Thus, it is crucial to study the Muslim communities' awareness about *waqf* and the factors that influence it. The students' population is selected mainly because they are usually equipped with the necessary prerequisites that allow them to expand their awareness and knowledge about specific topics and areas to the remaining social groups. The main reason for choosing Algeria as a case study is the fact that it has significant *waqf* assets usually used for various socio-economic and religious activities. Furthermore, Algeria is a Muslim majority country which has a rich Islāmic history as well. Thus, the study specifically attempts to answer the following questions:

- 1) Do students in Algeria have sufficient awareness about *waqf*?
- 2) Is there any difference in *waqf* awareness between students in Algeria, in terms of age, gender and education level?
- 3) What are the factors that impact the *waqf* awareness among students in Algeria?

The remaining part of the paper is organised as follows: the next section presents an overview of *waqf* as well as the main factors that affect the people's awareness. The methodology employed in this study, the

results and discussion, as well as the conclusion, will then be presented sequentially.

2. Literature Review

2.1. Overview on *Waqf*

Waqf (endowment) is a permanent charity. The time *waqf* is originated, its ownership is transferred and it can never be sold, inherited, or donated (Sadeq, 2002; Ihsan, Ayedh and Shahul, 2006; Ayedh and Ihsan, 2013). *Waqf* serves the Muslim society in many areas of welfares (e.g. religious, education, health, etc.).

In the Islamic history, *waqf* has been practiced in the early Islamic era, during the time of Prophet Muhammad (pbuh). Then the practice of *waqf* increased gradually by the *ṣahābah* (Prophet's companions) (Ihsan *et al.*, 2006). Soon after, during the Islamic Caliphate (*Khilāfah Islāmiyah*), *waqf* became one of the significant components of public services, as there were many famous *awqāf* created by *Khulafā* and wealthy Muslims. For instance, the first university in Muslim world, Zeitouna University, which was established by Ubaidullah Bin Al-Habhab, in 737 A.D, and still operating today, is one of the *waqf* properties, which produced a number of renowned Muslim scholars, including Abd ar-Rahman ibn Khaldūn.

However, during the last century, when colonialism dominated most of the Muslim world and *Khilāfah Islāmiyah* collapsed, *awqāf* properties became neglected and many were even conquered / captured by governments and individuals. All these incidents contributed towards reducing the practice of *waqf*, as well as the knowledge and awareness about *waqf*, in Muslim countries (Ayedh and Ihsan, 2013). In the last thirty years, several attempts were made to revive *waqf* practice by enhancing awareness, as one of the primary issues today has been the lack of awareness about *waqf* among Muslim communities of the world (Echchabi and Babatunde, 2013).

2.2. Awareness Determinants

Awareness and knowledge, and their influence on behaviour, have been severely studied in many of the previous researches, covering different fields. For instance, Kowalski and Goldstein (2006) examined the customers' awareness, attitude and adoption of mobile phone security in Sweden. The authors found that the respondents were unaware of any security functionality; however, this had no influence on the customers' attitude towards mobile phone security.

In the area of Islāmic economics, Abdullah and Abdul Rahman (2007) examined the awareness of Islāmic banking services among the Malaysian banks' managers and the factors that influence it. They found that bank managers possess good knowledge of the general principles of Islāmic banking and finance. However, their awareness of *mushārakah* and *mudārabah* concepts is only moderate. The results also revealed that managers' awareness of some advanced concepts, such as *ghurm* and *gharar*, are relatively poor. The authors also found that trainings attendance is the most important factor in improving managers' awareness and knowledge about Islāmic banking and finance.

Moreover, Rammal and Zurbruegg (2006) studied the Muslim customers' awareness about Islāmic banking services in Australia. Their results showed that the respondents were not aware of the Islāmic banking services mainly due to the insufficient information delivered by the Islāmic banks. Their results were compatible with those of Bley and Kuehn (2003), who found that students in UAE have a low level of awareness about Islāmic financial services. However, these results contradict with those of Khattak and Rehman (2010), whereby the findings revealed that customers demonstrated a high level of awareness about Islāmic banking services in Pakistan.

With regard to *waqf*, Muhammad (2010) attempted to emphasise enhancing awareness of the role of *waqf* in poverty alleviation and public welfare promotion. The author argued that the lack of awareness of *waqf* is a barrier to harnessing its potential in redressing socio-economic inequities and enhancing the quality of life of the poor.

In a similar study, Echchabi and Babatunde (2013) examined the extent of *waqf* awareness among university students in Malaysia, using a sample of 300 respondents. The authors found that the university students in Malaysia have good knowledge about *waqf*. In addition, their findings showed that there is significant gender difference with regard to *waqf* awareness. However, there is no significant difference between the various age as well as education level groups. Finally, the findings revealed that among the variables initially included in the study, only facilitating conditions are significantly influencing the level of awareness of the university students in Malaysia.

On the other hand, the awareness level was found to be directly depending upon various sources of information that are categorised as explicit and implicit sources; as well as official sources (Rhem, 2001; Koc and Ceylan, 2009). The explicit sources are a combination of newspapers,

magazines, books, and journal articles. The implicit sources cover friends, family, peers, television and radio. Finally, the official sources are comprised of *waqf* professionals, official authorities and non-governmental organisations.

In addition to the traditional information sources, facilitating conditions are also considered one of the factors that determine the level of awareness (Taylor and Todd, 1995; Tan and Teo, 2000). Facilitating conditions include technological and financial resources, government and *waqf* institutions' support, as well as social support, such as support from family, friends, peers, etc. It is assumed that facilitating conditions have a positive influence on the awareness level. This is supported by the findings of Gu, Lee and Suh (2009) in the case of mobile banking services.

3. Methodology

The current study is focused on the Algerian context. Particularly, the target population is of the students in Algeria, from different levels and backgrounds. The questionnaire was distributed to 200 students in the main regions of the country. Out of the distributed questionnaires, 105 were returned and usable, making a response rate of 53%, which is an acceptable rate as suggested by Dusuki and Abdullah (2007).

The questionnaire comprised three main parts. The first part was meant to examine the level of awareness of the respondents with regard to the *waqf* concept and practices. The measurement in this section was based on Kahf (1998). The second part, meant to collect information on the factors that may lead to the awareness of the respondents, was measured based on Rhem (2001), Koc and Ceylan (2009), Taylor and Todd (1995), Tan and Teo (2000), and Gu *et al.* (2009). The measurement for these two sections was made on a five points Likert scale (1 = Strongly Disagree and 5 = Strongly Agree). The last section gathered the demographic information of the respondents for subsequent comparative analysis. The questionnaire was prepared in English and was subsequently translated into Arabic and distributed as such.

The data analysis was done through descriptive analysis, one sample *t*-test, Multivariate Analysis of Variance (MANOVA), factor analysis, as well as linear regression analysis. The analysis has been done using SPSS 18 software.

The demographic data shown in Table 1 below indicates that 62.1 per cent of the respondents are male, while 37.9 per cent are female. With

regards to the age distribution, 87.4 per cent are between 20 and 30 years old, 11.7 per cent are between 31 and 40, and 1 per cent are below 20 years. In terms of education level, 58.8 per cent of the respondents are holding Master's degree and above, 21.6 per cent are holding Bachelor's degree, 16.7 per cent are holding a Diploma, and 2.9 per cent are holding a high school certificate.

Table 1: Respondents' Profiles

Demographic Dimension	Categories	Percentage
Gender	Male	62.1
	Female	37.9
Age	Below 20	1.0
	20-30	87.4
	31-40	11.7
Education	High school	2.9
	Diploma	16.7
	Bachelors' degree	21.6
	Master's degree and above	58.8

4. Findings

4.1 One Sample t-test

In order to examine the level of awareness of the Algerian students regarding *waqf*, the authors identified a number of features and specific characteristics of *waqf*, which were subsequently exposed to the respondents in order to evaluate them. The items identified were 16. The responses were subjected to the one sample *t*-test and the corresponding results are shown in Table 2 below.

The results indicate that there is a significant difference between the estimated mean and test value, except for items Q5, Q8, Q9, and Q12, corresponding respectively to “*waqf* should not be conditioned”, “it is possible to change the *waqf* asset if there is an identified benefit”, “the Islāmic Shari‘ah permits the investment of *waqf* property”, and “it is

possible to change the *waqf* beneficiaries". This indicates that the respondents are not firm about these statements. It is noteworthy that these statements are technical in nature outlining some specific features of *waqf* regarding its assets and beneficiaries. Hence, overall, it may be inferred that the respondents demonstrated a fair understanding of *waqf* and its attributes. This is in line with Echchabi and Babatunde (2013). It implies that authorities in the concerned Muslim countries should spread the knowledge and awareness of *waqf* through this channel to the remaining society groups.

Table 2: One Sample t-test Output

	Test Value = 3					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Q1	9.330	103	.000	1.05769	.8329	1.2825
Q2	3.238	103	.002	.39423	.1527	.6357
Q3	2.752	100	.007	.31683	.0884	.5452
Q4	11.013	104	.000	1.18095	.9683	1.3936
Q5	1.526	104	.130	.19048	-.0571	.4380
Q6	3.809	98	.000	.47475	.2274	.7221
Q7	3.429	101	.001	.38235	.1612	.6035
Q8	-1.320	101	.190	-.15686	-.3926	.0789
Q9	1.212	103	.228	.13462	-.0856	.3549
Q10	5.323	100	.000	.72277	.4534	.9922
Q11	6.522	101	.000	.83333	.5799	1.0868
Q12	.904	103	.368	.11538	-.1378	.3686
Q13	5.383	102	.000	.65049	.4108	.8902
Q14	6.243	103	.000	.72115	.4921	.9502
Q15	8.047	102	.000	.97087	.7316	1.2102
Q16	9.534	103	.000	1.11538	.8834	1.3474

4.2 MANOVA

In order to examine the eventual differences of awareness in the three demographic variables i.e. gender, age, and education level, Multivariate Analysis Of Variance (MANOVA) is employed. The multivariate results in Table 3 show that there is a significant difference in the *waqf* awareness only in terms of age, while it is not significant in terms of gender and education level. These differences are detailed further in Table 4.

Table 3: Multivariate Tests

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.894	27.901 ^a	16.000	53.000	.000
	Wilks' Lambda	.106	27.901 ^a	16.000	53.000	.000
	Hotelling's Trace	8.423	27.901 ^a	16.000	53.000	.000
	Roy's Largest Root	8.423	27.901 ^a	16.000	53.000	.000
Gender	Pillai's Trace	.313	1.507 ^a	16.000	53.000	.132
	Wilks' Lambda	.687	1.507 ^a	16.000	53.000	.132
	Hotelling's Trace	.455	1.507 ^a	16.000	53.000	.132
	Roy's Largest Root	.455	1.507 ^a	16.000	53.000	.132
Age	Pillai's Trace	.404	2.250 ^a	16.000	53.000	.014
	Wilks' Lambda	.596	2.250 ^a	16.000	53.000	.014
	Hotelling's Trace	.679	2.250 ^a	16.000	53.000	.014
	Roy's Largest Root	.679	2.250 ^a	16.000	53.000	.014
Education	Pillai's Trace	.635	.923	48.000	165.000	.618
	Wilks' Lambda	.477	.933	48.000	158.429	.600
	Hotelling's Trace	.875	.941	48.000	155.000	.585
	Roy's Largest Root	.505	1.735 ^b	16.000	55.000	.067

Table 4 below indicates that there are significant differences in items Q8 and Q9, referring respectively to “it is possible to change the *waqf* asset if there is an identified benefit” and “the Islāmic Sharī‘ah permits the investment of *waqf* property”. It is noteworthy that relatively “older” respondents have shown a better score for these two items. This implies that relatively younger generations need to be motivated and encouraged through rewarding incentives to be engaged in *waqf* activities.

Table 4: Between Subjects Effects

Source	Dependent variables	Type III Sum of Squares	Df	Mean Square	F	Sig.
Age	Q1	.109	1	.109	.072	.789
	Q2	1.945	1	1.945	1.257	.266
	Q3	.001	1	.001	.001	.978
	Q4	.258	1	.258	.214	.645
	Q5	.182	1	.182	.119	.731
	Q6	.710	1	.710	.447	.506
	Q7	.519	1	.519	.368	.546
	Q8	9.075	1	9.075	6.677	.012
	Q9	5.289	1	5.289	4.175	.045
	Q10	2.806	1	2.806	1.439	.234
	Q11	1.495	1	1.495	.809	.372
	Q12	.686	1	.686	.372	.544
	Q13	2.197	1	2.197	1.390	.242
	Q14	.049	1	.049	.033	.857
	Q15	.002	1	.002	.001	.972
	Q16	.403	1	.403	.261	.611

4.3 Linear Regression

Linear regression was subsequently used in order to determine the factors that influence the awareness of the students about *waqf*. As such, the dependent variable is the awareness, while the independent variables are facilitating conditions, access to explicit information, implicit information, as well as the access to information coming from official sources.

$$AWR = \beta_0 + \beta_1 FC + \beta_2 ES + \beta_3 IS + \beta_4 OS + \varepsilon$$

Where *AWR* is the level of awareness about *waqf* principles, *FC* refers to the behaviour facilitating conditions, *ES* reflects information from explicit sources, *IS* summarises sources of implicit information, and *OS* refers to the information from *waqf* official sources. Finally ε is the error term.

Table 5: ANOVA Output

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	5.807	4	1.452	3.503	.011
Residual	31.496	76	.414		
Total	37.303	80			

The results in Table 5 indicate that the overall model is valid with a significance level of 0.011. This model included four explanatory variables i.e. facilitating conditions, access to explicit information, implicit information as well as the access to information coming from official sources. Among the four variables, only explicit sources were found to have significant effect on the level of *waqf* awareness as shown in Table 6. The explanatory variable was able to explain 16% of the variation in the awareness level i.e. R square equals to 16%.

This result is compatible with that of Rhem (2001) and Koc and Ceylan (2009) that have found a positive relationship between explicit sources of knowledge and behaviour. Nevertheless, these results contradict those of Puschel, Mazzon and Hernandez (2010). It is worth mentioning that the explicit sources of knowledge include newspapers, magazines, books, and journal articles. Hence, the concerned authorities are recommended to emphasise on these tools to increase the awareness and understanding of *waqf* among students. Thus, the final regression equation can be written as follows:

$$AWR = 2.630 + 0.4 ES$$

Table 6: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.630	.391		6.727	.000
Explicit sources	.400	.147	.436	2.731	.008

5. Discussion and Conclusions

The main aim of the study was three-fold i.e. to examine the awareness level of the students in Algeria, to test whether there is any difference in *waqf* awareness in terms of age, gender and education levels, and finally to study the factors that influence the *waqf* awareness among students in Algeria. The findings indicate that the latter have fair understanding about *waqf*. In addition, the findings show that overall, there is significant difference with regard to age about *waqf* awareness; however, there is no significant difference between the various gender as well as education levels groups. Finally, the findings conclude that among the factors initially included in the study, only explicit sources of knowledge are significantly influencing the level of awareness of the students in Algeria.

These findings have some valuable implications for the body of knowledge, as well as for the practitioners and decision makers. In fact, this study provides a measurement of the *waqf* awareness which can be used in the future to conduct studies in this area. The study also provides insights on the possible factors influencing the level of awareness, not only in the case of *waqf*, but also with regards to awareness in general. This study is one of the earliest to study *waqf* awareness which will enrich the literature on *waqf*.

For the decision makers and practitioners, the study provides insights on the level of *waqf* awareness and the factors that influence it. This will assist the practitioners to develop instruments to enhance the awareness of *waqf* and, in turn, its use as a tool to alleviate poverty, especially in the Muslim world.

Nevertheless, the current study has a number of limitations that should be taken into account in the future studies undertaken in this area. The main being that the sample studied comprises 200 respondents taken from students in Algeria only. This means that future studies should consider a larger number of respondents from different Muslim countries, and not particularly students but from various social groups. Furthermore, only one of the variables initially included in the study was found to be a significant predictor of *waqf* awareness. This implies that future studies should attempt to find other variables which may explain the variation in *waqf* awareness.

References

Abdullah, R.F.S. and Abdul Rahman, A. R. (2007), "Factors Influencing Knowledge of Islāmic Banking Services: The Case of Malaysian Bank Managers", *Review of Islāmic Economics*, Vol. 11 No. 2, pp. 31-54.

Ayedh, A. and Ihsan, H. (2013), "Hal Nahtāj Ela'a Ma'aiir Mohāsbah lel-Waqf" [Do we need for Accounting Standards for Awqāf], Paper presented at the Paper presented at the 9th International Conference on Economics and Finance (ICIEF), Turkey.

Bley, J. And Kuehn, K. (2003), "Conventional versus Islāmic finance: Student knowledge and perception in the United Arab Emirates", Vol. 5 No. 4, pp. 1-13.

Dusuki, A.W. and Abdullah, N.I. (2007), "Why do Malaysian customers patronise Islāmic banks?", *International Journal of Bank Marketing*, Vol. 25 No. 3, pp. 142-160.

Echchabi, A. and Babatunde, O.H. (2013), "Awareness about waqf among university students: The case of Malaysia", *International Journal of Excellence in Islāmic Banking and Finance*, Vol. 3 No. 2, pp. 1-13.

Gu, J.G., Lee, S.C. and Suh, Y.H. (2009), "Determinants of behavioural intention to mobile banking", *Expert Systems with Applications: An International Journal*, Vol. 36, pp. 11605-11616.

Ihsan, H., Ayedh, A.M. and Shahul, H.M.I. (2006), "Towards the betterment in management and transparency of waqf institutions: lessons from the charity commission", *Al-Risalah*, Vol. 6, pp. 27-46.

Kahf, M. (1998), *Al waqff fi al-mujtama' al Islāmic al-mo'assir*, Center of Research and Studies, Waqf Ministry, Doha, Qatar.

Khattak, N. and Rehman, K. (2010), "Customer satisfaction and awareness of Islāmic banking system in Pakistan", *African Journal of Business Management*, Vol. 4 No. 5, pp. 662-671.

Koc, B. and Ceylan, M. (2009), "Consumer awareness and information sources on food safety a case study of Eastern Turkey", *Nutrition and Food Science*, Vol. 39 No. 6, pp. 643-654.

Kowalski, S. and Goldtein, M. (2006), "Consumers' awareness, attitude and adoption of mobile phone security", accessed online at <http://www.hft.org>.

Muhammad, I.N. (2010), "Scholars, merchants and civil society, imperative for waqf-based participatory poverty alleviation initiatives in Kano, Nigeria", *Humanomics*, Vol. 26 No. 2, pp. 139-157.

Puschel, J., Mazzon, J.A. and Hernandez, J.M.C. (2010), "Mobile banking: proposition of an integrated adoption intention framework", *International Journal of Bank Marketing*, Vol. 28 No. 5, pp. 389-409.

Rammal, H.G. and Zurbruegg, R. (2007), "Awareness of Islāmic banking products among Muslims: The case of Australia", *Journal of Financial Services Marketing*, Vol. 12 No. 1, pp. 65-74.

Rhem, A.J. (2001), *A Framework for Knowledge Acquisition*, A.J. Rhem and Associates, Inc., Chicago, Illinois.

Sadeq, A. (2002), "Waqf, Perpetual Charity and Poverty Alleviation", *International Journal of Social Economics*, Vol. 29 No. 1/2, pp.136-151.

Tan, M., & Teo, T.S.H. (2000), "Factors Influencing the Adoption of Internet Banking", *Journal of the Association for Information Systems*, Vol. 1 No. 5, pp. 1-44,

Taylor, S., & Todd, P. (1995), "Understanding information technology usage: A test of competing models", *Information Systems Research*, Vol. 6 No. 2, pp. 144-176.
